GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:1400
ANSWERED ON:25.07.2017
De-Functional Fertilizer Units
Innocent Shri ;Mahendran Shri C.

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether the Government is planning to revive de-functional fertilizer units in the country and if so, the details thereof;

(b) whether these are revived by means of Special Purpose Vehicle (SPV) of Public Sector Undertakings (PSUs) through nomination route and if so, the details thereof;

(c) whether this will also ease the pressure on road and railway infrastructure due to long distance transportation and if so, the details thereof; and

(d) the proposed funding for the said revival?

Answer

MINISTER OF STATE IN THE MINISTRY OF CHEMICALS & FERTILIZERS, SHIPPING, ROAD TRANSPORT & HIGHWAY

(SHRI MANSUKH L. MANDAVIYA)

(a):Yes, Sir. Government has formulated plans to revive four defunct fertilizer plants of FCIL and one unit of HFCL. Units which have been taken for revival includes closed fertilizer units located at Talcher, Ramagundam, Gorakhpur and Sindri of FCIL and Barauni unit of HFCL.

(b):Yes, Sir. Gorakhpur & Sindri units of FCIL and Barauni unit of HFCL are being revived by means of Special Purpose Vehicle (SPV) of Public Sector Undertakings (PSUs) through nomination route. Accordingly, a Joint Venture (JV) Company, namely, Hindustan Urvarak & Rasayan Limited (HURL) has been formed to take up revival of these units. JV partners of HURL are National Thermal Power Corporation, Coal India Limited, Indian Oil Corporation Limited and FCIL/HFCL.

Talcher Unit of FCIL is being revived on 'Nomination basis' by a Consortium of PSUs namely RCF, GAIL, CIL and FCIL by setting up a coal based fertilizer plant of 1.27 MMTPA capacity. JV Company named "Talcher Fertilizers Limited (TFL)" has been formed.

Ramagundam unit of FCIL is being revived on nomination basis by consortium of PSUs namely Engineers India Limited (EIL), National Fertilizers Limited (NFL) and FCIL by setting up a gas based fertilizer plant of 1.27 MMTPA capacity. JV Company named "Ramagundam Fertilizers & Chemicals Limited" has been formed.

(c): As most of these units are located in eastern India where presently there is no urea plant existing, the production from these units will cater to the requirement of eastern region of the country.

(d): All of the aforementioned units are being revived through nomination route by nominating PSUs. The nominated PSUs will provide funding for setting up of fertilizer units at each of the locations. At present, cost of setting up of new Urea plant of annual capacity of 1.27 MMT is approximately Rs.6,000 Crore.